

**CORRECTED FISCAL NOTE**  
**HB 3070 - SB 3151**

March 13, 2006

**SUMMARY OF BILL:** Changes certain U.C.C. provisions for filing financing statements and continuation statements for security interests in property.

**ESTIMATED FISCAL IMPACT:**

On March 10, we issued a fiscal note indicating a minimal fiscal impact. Based on additional information, the estimated fiscal impact of this bill is:

**(CORRECTED)**

**Increase State Expenditures - \$63,000 One-Time**

Assumptions:

- Section 2 of the bill appears to create a new window in which all pre-effective financing statements could be continued in the first part of 2006 even if they currently do not have lapse dates in the second half of 2006 and even if they have already lapsed.
- Assumes the UCC filing office would be required to reinstate all lapse dates in excess of five years that existed under prior law but were adjusted to June 30, 2006, pursuant to AG Opinion #04-102 and Amendment to Rule 1360-8-4-.05.
- The current Unisys UCCMS computer management system would require modification to override such business rules for a defined subset of financing statements, to establish a different continuation window for such financing statements, and to record a lapse date for continuations filed for such financing statement during the modified continuation window.
- According to the Secretary of State, due to the complexity of these changes within the framework of the current UCCMS computer management system, development costs for a Unisys Developer could be estimated to be at least 320 x \$198 per hour = \$63,360.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and

correct to the best of my knowledge.



James W. White, Executive Director